

Manufactured Housing Communities Dispute Resolution Program ATTORNEY GENERAL'S OFFICE RCW 59.20 RCW 59.30

#### Office of the Attorney General

# MANUFACTURED HOUSING COMMUNITIES DISPUTE RESOLUTION

## 2011 Report to the Legislature

**December 29, 2011** 

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### INTRODUCTION

This report provides an overview of complaints from owners of manufactured and mobile home communities and tenant-home owners during Fiscal Year (FY) 2011 (07/01/2010 – 06/30/2011). The reporting period has been changed from that of prior reports to move the reporting period to a state FY (July 1 through June 30). Quarterly program reports are published on the AGO web site.

This report also includes information about enforcement activities by the Manufactured Housing Communities Dispute Resolution Program (MHCDRP or program), Consumer Protection Division of the Office of the Attorney General (AGO).

The Manufactured/Mobile Home Communities – Dispute Resolution and Registration Act, RCW 59.30, was enacted in 2007. The law had its origins in the unique relationship between landlords and tenant-home owners of mobile/manufactured housing communities, the expense of relocating a manufactured home to a different location, the inequality of the bargaining position of the parties and understanding that a tenant may be without an adequate remedy when violations occur by a landlord of RCW 59.20, the Manufactured/Mobile Home Landlord Tenant Act (MHLTA).

The law established the MHCDRP in the AGO to facilitate negotiations between landlords and tenants of manufacturer/mobile home communities and to investigate and pursue violations of the MHLTA. MHCDRP provides support to the parties involved through assisted dispute resolution services and, where appropriate, formal enforcement in the form of specific orders to comply, fines or other remedies.

## DISPUTE RESOLUTION PROGRAM

### **Negotiation Assistance**

Homeowner-tenants or landlords may file a request for dispute resolution (i.e. a complaint) with the program alleging a violation of the MHLTA. The program evaluates the dispute and offers, as a neutral third party, facilitation of negotiations to reach a mutually agreed resolution between the parties by emphasizing education, statutory requirements and problem solving.

Of the complaints over which the MHCDRP has jurisdiction and in which the program engaged in dispute resolution with the parties, 75 percent were successfully resolved with MHLTA compliance. Agreements are generally concluded within 30 to 75 days

depending on the number and complexity of issues. Cross complaints are not unusual and the program works to resolve disputes raised by both parties.

When a respondent declines to participate in the negotiation phase, or when negotiations fail to result in an agreed resolution, the program evaluates the dispute as to the appropriateness of a formal investigation.

## **ENFORCEMENT**

## Investigations

The purpose of an investigation is to gather facts regarding potential violations of the MHLTA. If an investigation reveals facts that suggest a violation of the MHLTA, the MHDRP will contact the party that appears to be in violation to encourage compliance without the formality of issuing a Notice of Violation, compliance order, or fine.

#### **Notices of Violation**

Where the MHDRP has determined that a party has violated the MHLTA, and the party does not voluntarily comply, the program manager will issue a written Notice of Violation, which may include an order to comply, cease and desist, or impose a fine or other penalties.

Where no apparent violation has been identified, the program manager issues a Notice of Non-Violation. Complainants and respondents may appeal any Notice by requesting an administrative hearing.

## **COMMUNITY CONNECTIONS**

The MHCDRP hosted a three-part series of stakeholders meetings organized in June for dates after the end date of this report. The meetings were planned to elicit feedback from landlords and tenants about the operations of the program. The MHDRP met separately with landlord and tenant groups, and the third meeting included members from both groups. The final meeting with landlords and tenants focused on the common issues that arose from the meetings, the program's outreach activities, the transition of community and lot registrations from the Department of Licensing to Department of Revenue and a discussion of the most effective ways to file and respond to complaints.

The attendees were asked to provide feedback on the revised MHCDRP poster for display in the common areas in the parks. Landlords and tenants were interactive and engaged in providing comments and suggestions about the poster and the program. Overall, these stakeholders provided positive feedback indicating that they were very pleased with how the program is running. The greatest concern of tenants continues to be fear of retaliation which causes people not to file complaints.

### LEGAL ISSUES AND LEGISLATIVE RECOMMENDATIONS

Landlords and tenants have filed complaints or expressed concern about issues that are not presently addressed in current laws and other issues the lend themselves to multiple interpretations, including ownership and maintenance of trees, distinctions between maintenance and capital investment, and what qualifies as a permanent structure. Landlords, tenants and their associations have made complaints about or inquired about the program regarding issues that are not included in current laws and where interpretation of existing law varies widely. However, The AGO will not make specific legislative recommendations for the 2012 Legislative Session.

The MHCDRP participated in workgroup meetings hosted by Representative Petersen. These meetings resulted in a number of statutory revisions agreed to by both park owner/landlords and park home owner/tenants. See: HB 2194.

## STATISTICAL OVERVIEW - Fiscal Year 2011 (July 1, 2010, to June 30, 2011)

There are approximately 1,407 registered manufactured/mobile home communities and 63,102 rented mobile home lots identified by the Department of Revenue throughout the State of Washington.

### **Telephone, Web and Mail Communications:**

The program received approximately 1,070 calls by 'first time callers' Callers are provided with information and education about the MHLTA. They also receive assistance with problem solving and self-help strategies as well as referrals to other agencies to help serve their legal, health and social service needs. Approximately 351 constituents (either by telephone, web, or mail) requested and were mailed information from MHCDRP. Additionally the program web pages had more than 24,000 page views in total.

#### **Complaints Received and Closed**

- 300 Complaints were received in FY2011
- 266 Complaints were closed in FY2011 from FY2010 and FY2011(some were complaints that originated in FY2010)
- 65 Complaints remained open at the conclusion of FY2011

#### **Requests for Dispute Resolution/Complaints Disposition:**

- 202 of the 266 closed complaints were resolved through facilitated negotiations:
  - 151 closed complaints resulted in agreements to comply with RCW 59.20 during negotiations (75%);
  - 44 closed complaints did not indicate a violation of RCW 59.20 for investigation (22%)
  - 7 (seven) closed complaints that were not resolved through negotiation were assigned to investigation (3%)
- 64 of the 266 closed complaints were not handled through the negotiation process:
  - 28 closed 'complaints' were not complaints but were inquiries/informational requests only, and either stated no complaint or otherwise did not relate to RCW 59.20 but submitted on complaint forms

 36 closed complaints were not within the statutory authority of the MHCDRP and were closed after a response was sent with an explanation and appropriate referral resources.

Total Complaints Received: \_\_\_\_\_ 300

	Tenants	Landlords
Complaints Received from	277	23

Total Complaints Closed: \_\_\_\_\_ 266

\*Closed complaints handled through facilitated negotiations: 202

**Complaint Disposition by Closing Type** 

Issues Resolved with RCW 59.20 Compliance	135	16
Investigation Initiated	4	3
No Apparent MHLTA Violation; No Investigation Necessary	40	4

<sup>\*</sup>Closed complaints handled through the program's negotiation process: 64

Complaint Disposition by Closing Type

Information Only, Inquiry, Referral, Withdrawn or Negotiation Rejected	25	3
Issue not within statutory jurisdiction	36	0

# <u>Issues and Alleged Violations Identified in Complaints</u>

Type*	Tenants	Landlords
Failed Communication Attempts	89	3
General Maintenance	58	12
Rental Agreements: Not Provided, Terms, Interpretation	63	1
Rules & Enforcement/Compliance	46	12
Health, Safety or Sanitation	54	2
Utilities	49	1
Duty to Comply with Laws & Codes	31	10
Screening / Denial of Sale or Tenancy	36	0
• Fees	33	0
Rent Raised	26	0
Road Maintenance	21	1
Owner/Manager and Tenant Personality Conflict	21	0
Privacy Issues	19	0
Lack of Landlord Enforcement	18	0
Guests	11	6

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#### **2011 MHCDRP REPORT**

Type* continued	Tenants	Landlords
Non-payment of Rent	13	0
Tenant to Tenant Dispute	13	0
Permanent Structures - Maintenance or Closure	12	0
Prevented Entry/Access or Required Removal of Manufactured Home	12	0
• Pets	10	2
• Trees	11	0
Notice of Rent Increase	7	0
Receipts for Rent Paid	7	0
Retaliation	7	0
Maintenance/Repair Timeline	6	0
Eviction	5	0
Infestation	5	0
Deposits	4	0
Residential Landlord-Tenant	4	0
Restriction/Choice of Goods or Services	4	0
Towed Vehicles	4	0
Discrimination	3	0
Abandonment of Manufactured Home	2	0
Live-in Care Providers	2	0
Owner Closing Community	2	0
Prevention of Tenant Meetings	1	0

<sup>\*</sup> Complaints often allege multiple issues including items beyond the scope of the program. The AGO MHCDR database tracks multiple issues of a complaint with the primary issue being the basis for the resolution/outcome category.

**Investigation Dispositions** 

Complaints Submitted by	Tenants	Landlords
Voluntary Compliance or Resolution	3	2
Notice of No Violation	1	0
Notice of Violation	0	0
Insufficient Facts to Issue Notice of Violation	1	0

### **Enforcement Actions**

• Fines	0	0
Orders	0	0
Other	0	0

Appeals	0	1
AGO position upheld	0	0
AGO position denied	0	1